



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

March 11, 2003

H.R. 192

A bill to amend the Microenterprise for Self-Reliance Act of 2000 and the Foreign Assistance Act of 1961 to increase assistance for the poorest people in developing countries under microenterprise assistance programs under those acts, and for other purposes

*As ordered reported by the House Committee on International Relations
on March 5, 2003*

SUMMARY

H.R. 192 would authorize the appropriation of \$175 million in 2003 and \$200 million in 2004 for grants and credits to microenterprise development programs, or programs that would provide access to financial services to poor persons in developing countries. The bill would place emphasis on assistance to persons living within the bottom 50 percent below a country's poverty line or living on less than the equivalent of \$1 per day. CBO estimates that implementing H.R. 192 would cost \$348 million over the 2003-2008 period, assuming the appropriation of the authorized amounts. The bill would not affect direct spending or receipts.

H.R. 192 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 192 is shown in the following table. The costs of this legislation fall within budget function 150 (international affairs).

	By Fiscal Year, in Millions of Dollars					
	2003	2004	2005	2006	2007	2008
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Authorization Level	175	200	0	0	0	0
Estimated Outlays	23	97	119	64	31	14

BASIS OF ESTIMATE

The estimate assumes that H.R. 192 will be enacted late in 2003, that the amounts authorized for 2003 and 2004 will be appropriated, and that outlays will follow historical spending patterns.

The U.S. Agency for International Development (USAID) provided \$155 million in microenterprise assistance in 2002 through five different appropriation accounts. Because of the late enactment of the Omnibus Appropriations Act, Fiscal Year 2003, USAID has not released an operating-year budget showing funding levels for microenterprise activities in the current year. Absent that information, this estimate assumes appropriation of all authorized amounts. However, most or all of the \$175 million that would be authorized for 2003 could come from funding provided in the recent omnibus appropriations act.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 192 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

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